

Exhibit 4

1
2 UNITED STATES DISTRICT COURT
3 FOR THE SOUTHERN DISTRICT OF NEW YORK

4 In re: :
5 : Master File No.
6 Global Brokerage, Inc. : 1:17-cv-00916-RA
7 F/k/a FXCM, Inc. :
8 Securities Litigation :
9 ----- :

10 ** CONFIDENTIAL **

11 REMOTE VIDEO DEPOSITION OF:
12 JOHN E. BARRON, CPA
13 MONDAY, JUNE 7, 2021
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24 REPORTED BY:
25 SILVIA P. WAGE, CCR, CRR, RPR

<p style="text-align: right;">Page 66</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Are you aware that the metadata</p> <p>3 indicates that this document also was an in E&Y's</p> <p>4 2011 work paper files?</p> <p>5 A. Yes.</p> <p>6 Q. And this is an agreement for services</p> <p>7 between Effex and FXCM, correct?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. And if you look at this -- now</p> <p>10 this was an amendment to the service agreement,</p> <p>11 correct?</p> <p>12 A. I know it was amended. I don't know</p> <p>13 whether this is the original or the amended one.</p> <p>14 Q. It says on top, "amendment to service</p> <p>15 agreement."</p> <p>16 Do you see that?</p> <p>17 A. Okay, right.</p> <p>18 Q. Okay. And in the second where --</p> <p>19 first whereas clause, "Effex and FXCM entered</p> <p>20 into a service agreement as of May 1st, 2010</p> <p>21 agreement."</p> <p>22 Do you see that?</p> <p>23 A. Yes.</p> <p>24 Q. And it says, "The parties wish to</p> <p>25 modify and amend that agreement," correct?</p>	<p style="text-align: right;">Page 68</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 A. Yes.</p> <p>3 Q. And it says, "FXCM shall receive from</p> <p>4 Effex a fee equal to \$16 per 1 million units of</p> <p>5 base currency for the aggregated volume of</p> <p>6 transactions executed via the trading system</p> <p>7 fees."</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. So the fees that FXCM was to</p> <p>11 agree were determined by the volume of</p> <p>12 transactions on the trading system, correct?</p> <p>13 A. That's right.</p> <p>14 Q. Okay. Do you see anywhere in this</p> <p>15 document that it says that the fee amount would</p> <p>16 be based on how much profit or loss Effex made on</p> <p>17 a particular trade?</p> <p>18 A. This document doesn't refer to it,</p> <p>19 but I'm, certainly, aware of other information</p> <p>20 that would indicate this was considered in the</p> <p>21 ballpark so-to-speak of the 70/30.</p> <p>22 Q. I didn't ask you that. I asked you a</p> <p>23 very simple.</p> <p>24 Does it say in here -- okay, we'll</p> <p>25 start with that.</p>
<p style="text-align: right;">Page 67</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 A. Yes.</p> <p>3 Q. Okay. And they amend Section 3.1 the</p> <p>4 first sentence to read as follows, correct?</p> <p>5 A. Um.</p> <p>6 MR. LaPOINTE: Object to the form of</p> <p>7 the question.</p> <p>8 A. I'm sorry. I didn't mean to</p> <p>9 interrupt. I was looking for 3.1.</p> <p>10 Q. No, no.</p> <p>11 Do you see that it says in No. 1,</p> <p>12 "The first sentence of Section 3.1 is deleted and</p> <p>13 shall be replaced with the following"? Do you</p> <p>14 see that?</p> <p>15 A. Yes.</p> <p>16 Q. And they're referring to Section 3.1</p> <p>17 that was Section 3.1 in the original agreement,</p> <p>18 correct?</p> <p>19 A. Yes.</p> <p>20 Q. Okay. And do you recall that the</p> <p>21 original 3.1 had -- that fee amount would be \$21</p> <p>22 per million?</p> <p>23 A. Yes, that's my recollection.</p> <p>24 Q. Now, they're changing it to \$16 per</p> <p>25 million, correct?</p>	<p style="text-align: right;">Page 69</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Does it say in here that Effex will</p> <p>3 pay 70 percent of the profits that it makes on</p> <p>4 the trade? Does it say that?</p> <p>5 A. No.</p> <p>6 Q. Okay. Does it say that in the</p> <p>7 service agreement that Effex will pay 70 percent</p> <p>8 of its profits it makes on the trade? Does it</p> <p>9 say that in the service agreement, yes or no?</p> <p>10 A. No.</p> <p>11 Q. Okay. Does it say in this agreement</p> <p>12 that FXCM will be responsible for losses that</p> <p>13 Effex incurs on a trade?</p> <p>14 A. No.</p> <p>15 Q. Does it say that in the service</p> <p>16 agreement?</p> <p>17 A. No.</p> <p>18 Q. Let's look at another document,</p> <p>19 EY-GBI-WP 1808.</p> <p>20 A. 1808? Okay.</p> <p>21 Q. It will have a nine next to it,</p> <p>22 sorry, yes.</p> <p>23 A. I have it.</p> <p>24 Q. Okay.</p> <p>25 (Deposition Exhibit 9, 3/19/12)</p>

<p style="text-align: right;">Page 130</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 hundred percent to 90 percent of their business</p> <p>3 was coming from FXCM. They couldn't find any</p> <p>4 other customers until probably after 2011. After</p> <p>5 2011, I think, it would be fair to say that Effex</p> <p>6 was able to look for other customers that were</p> <p>7 external versus FXCM, which was internal.</p> <p>8 Q. Okay, sir.</p> <p>9 Are you aware that Effex had</p> <p>10 relationships and provided liquidity, FX</p> <p>11 liquidity to, approximately, 30 other</p> <p>12 counterparties?</p> <p>13 A. I don't know the number. I know it</p> <p>14 was less than majority, significantly less than</p> <p>15 majority of the --</p> <p>16 Q. Sir, how about you -- listen, I know</p> <p>17 however your Counsel prepared you, because you'll</p> <p>18 look like a fool at the trial if you give answers</p> <p>19 like this. But just answer the questions I'm</p> <p>20 asking. You don't have to put in your spin that</p> <p>21 you want, sir.</p> <p>22 MR. LaPOINTE: Objection.</p> <p>23 Q. It's a simple question.</p> <p>24 MR. LaPOINTE: Objection to the form</p> <p>25 of the question.</p>	<p style="text-align: right;">Page 132</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Q. Sure. In your report, you state that</p> <p>3 you also reviewed the exhibits that were</p> <p>4 introduced at Mr. Dittami's deposition.</p> <p>5 A. Yes.</p> <p>6 Q. Okay. Are you aware from Mr.</p> <p>7 Dittami's deposition that Effex after sometime in</p> <p>8 20 -- after 2017 settlement -- I'm sorry.</p> <p>9 Are you aware that Effex sued the</p> <p>10 NFA?</p> <p>11 A. I'm sorry. I didn't hear that last</p> <p>12 part of the question.</p> <p>13 Q. Sure. Are you aware that after FXCM</p> <p>14 settled with the regulators in 2017, Effex sued</p> <p>15 the NFA? Are you aware of that?</p> <p>16 MR. LaPOINTE: Object to the form of</p> <p>17 the question.</p> <p>18 A. You know, I don't recall that.</p> <p>19 Q. No?</p> <p>20 A. It was not part of my assignment to</p> <p>21 look at those outside the scope of what I looked</p> <p>22 at.</p> <p>23 Q. Did you look at the exhibits that</p> <p>24 were introduced at Mr. Dittami's deposition, sir?</p> <p>25 A. I looked at -- yeah, I would have</p>
<p style="text-align: right;">Page 131</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Q. It's a simple question.</p> <p>3 MR. LaPOINTE: Objection to</p> <p>4 badgering.</p> <p>5 MR. DAHAN: Just object to the form.</p> <p>6 Okay, very good.</p> <p>7 Q. Okay, simple question, sir.</p> <p>8 Did Effex provide liquidity to,</p> <p>9 approximately, 30 other counterparties, yes or</p> <p>10 no? Do you see any of that testimony in the</p> <p>11 record?</p> <p>12 A. Would you please specify what dates</p> <p>13 or periods you're talking about?</p> <p>14 Q. By 2014.</p> <p>15 A. By the end or August of 2014, I don't</p> <p>16 know how many other. I know it was a lot less</p> <p>17 than the majority.</p> <p>18 Q. Okay. And that's your recollection</p> <p>19 of the record, sir?</p> <p>20 A. Absolutely.</p> <p>21 Q. Okay. You said you read the exhibits</p> <p>22 of Mr. Dittami's deposition, at least, according</p> <p>23 to your report, right, sir?</p> <p>24 A. Can you -- excuse me -- repeat that</p> <p>25 question?</p>	<p style="text-align: right;">Page 133</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 looked at the exhibits.</p> <p>3 Q. Did you read his deposition</p> <p>4 testimony? Do you know if he was asked about</p> <p>5 that at his deposition?</p> <p>6 A. I don't recall.</p> <p>7 Q. Okay. Well, let's look at an exhibit</p> <p>8 from Mr. Dittami's deposition that you allegedly</p> <p>9 looked at. Let's look at what was Exhibit 71.</p> <p>10 A. Okay. What number would that be on</p> <p>11 my screen?</p> <p>12 Q. That will come up as No. 15 and it</p> <p>13 says, "John Dittami 71.pdf."</p> <p>14 Do you see that?</p> <p>15 (Deposition Exhibit 15, Affidavit of</p> <p>16 John Dittami signed 1/6/17 and attachments, was</p> <p>17 marked for identification.)</p> <p>18 A. Let me refresh it and see.</p> <p>19 Oh, yeah, got it now; okay.</p> <p>20 MR. DAHAN: This was -- so the record</p> <p>21 is clear for purposes of today's deposition, this</p> <p>22 is Exhibit 15. This was also Exhibit 71 at the</p> <p>23 deposition of John Dittami.</p> <p>24 Q. Sir, do you recall reviewing this in</p> <p>25 connection with your report?</p>

<p style="text-align: right;">Page 134</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 A. Not specifically. I don't recall.</p> <p>3 Q. Do you know what an "affidavit" is?</p> <p>4 A. Well, I'm not a lawyer, but I think I</p> <p>5 have an understanding of it.</p> <p>6 Q. Do you have an understanding that</p> <p>7 those are statements made under oath and are</p> <p>8 subject to penalty of perjury?</p> <p>9 A. I believe that's true, yeah.</p> <p>10 Q. Okay. Are you aware that Mr. Dittami</p> <p>11 was asked about this affidavit at his deposition</p> <p>12 in this case?</p> <p>13 A. No, I don't recall that part of his</p> <p>14 deposition.</p> <p>15 Q. I bet you don't.</p> <p>16 And do you recall that I asked him</p> <p>17 questions about this very affidavit during his</p> <p>18 deposition in this case?</p> <p>19 A. No, I don't.</p> <p>20 Q. Alright. Are you aware of whether</p> <p>21 Mr. Dittami has been accused of perjury in</p> <p>22 connection with this affidavit?</p> <p>23 A. No, I don't recall that.</p> <p>24 Q. Okay. Do you see where Mr. Dittami</p> <p>25 says in Paragraph 4, sir...</p>	<p style="text-align: right;">Page 136</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Q. Okay. And do you have any reason to</p> <p>3 say that he's lying?</p> <p>4 A. I can't call, you know, Mr. Dittami a</p> <p>5 liar. I know that from the documents and</p> <p>6 testimony I reviewed, it was FXCM's decision to</p> <p>7 discontinue the activities under EES because of</p> <p>8 the problem it would create with their</p> <p>9 disclosures. So I believe it was FXCM's decision</p> <p>10 to go out and form Effex.</p> <p>11 Q. Okay. So they could decide to stop</p> <p>12 doing business, but you can't see a difference</p> <p>13 between then who decides to form events.</p> <p>14 Have you seen any testimony -- we'll</p> <p>15 go back, sir.</p> <p>16 Cite me any person who has testified</p> <p>17 in this case, not your interpretation, not your,</p> <p>18 you know, your assertion, someone in this case</p> <p>19 whose testified that Effex was created by FXCM?</p> <p>20 Can you cite me a person --</p> <p>21 MR. LaPOINTE: Objection to form.</p> <p>22 Q. -- who questioned like that, sir?</p> <p>23 A. I think I've answered that already.</p> <p>24 Q. Right. Okay, sir.</p> <p>25 If you go to Paragraph 7, sir, Mr.</p>
<p style="text-align: right;">Page 135</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 A. Oh, I'm at four.</p> <p>3 Q. Do you see in the beginning he talks</p> <p>4 about how "on or about March 23rd, 2010 FXCM and</p> <p>5 I formally terminated the agreement," and he's</p> <p>6 referring to his employment agreement, correct?</p> <p>7 A. Right.</p> <p>8 Q. Okay. And then he goes and says in</p> <p>9 the middle of that paragraph, "At that time, I</p> <p>10 also decided to form an entity Effex that would</p> <p>11 stream foreign currency prices and provide</p> <p>12 foreign currency execution services to FXCM as</p> <p>13 well as to other forex counterparties."</p> <p>14 Do you see that sentence?</p> <p>15 A. I'm catching up with you here.</p> <p>16 Okay, let me read it just for a</p> <p>17 second.</p> <p>18 Okay, I saw that sentence, yes.</p> <p>19 Q. Okay. So he says that he decided to</p> <p>20 form Effex "to provide streams of foreign</p> <p>21 currency prices and foreign currency execution</p> <p>22 services to FXCM, as well as to other forex</p> <p>23 counterparties."</p> <p>24 Do you see that?</p> <p>25 A. I see what it says here.</p>	<p style="text-align: right;">Page 137</p> <p>1 CONFIDENTIAL - JOHN E. BARRON, CPA</p> <p>2 Dittami says under oath the following.</p> <p>3 Paragraph 7, you with me, sir?</p> <p>4 A. Yes.</p> <p>5 Q. "Shortly after its formation, Effex</p> <p>6 began operating as a forex liquidity provider</p> <p>7 utilizing the trading system and algorithms</p> <p>8 developed by me. Within a few months Effex, one,</p> <p>9 reimbursed FXCM with Effex investment in</p> <p>10 May 2010."</p> <p>11 Do you state that fact in your</p> <p>12 report, sir?</p> <p>13 A. I don't recall whether I did or did</p> <p>14 not.</p> <p>15 Q. Okay. "Two, ceased using the credit</p> <p>16 facility made available to Effex by FXCM through</p> <p>17 the above referenced prime to prime customer</p> <p>18 account in June 2010."</p> <p>19 Do you see that, sir?</p> <p>20 A. Yes.</p> <p>21 Q. "Three, entered into a prime broker</p> <p>22 agreement with Citibank in July 2010."</p> <p>23 Do you see that, sir?</p> <p>24 A. Yes.</p> <p>25 Q. Do you state those facts of Roman II</p>

35 (Pages 134 - 137)